It is expected that it will result in reduction of cost of generation of electricity by 10-16 paise per unit.

(c) Yes,.Sir.

(d) At the relevant time a decision was taken to give the exemption - only to the plants mentioned in the reply to part (b) above.

Abolition of subsidies

69. SHRIMATI SAROJ DUBEY: Will the Minister of FINANCE be pleased to state:

(a) whether any decision has been taken to do away with the various subsidies and administered price mechanism in the country; and

(b) if so, the details of each item where subsidy is proposed to be abolished during the current financial year 2002-2003?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) There is no proposal as such for withdrawal of subsidies but it is Government's constant endeavour to better target the subsidies to the beneficiaries and improve the cost effectiveness of expenditure on subsidies. The Cabinet in its meeting on 20th November, 1997 approved the phased programme for dismantling of Administered Price Mechanism (APM) and rationalisation of duty structure for petroleum products. In accordance with this decision, phased dismantling of APM for petroleum products commenced on 1st April, 1998.